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SENATE BILL 160

**48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008**

INTRODUCED BY

John T. L. Grubestic

AN ACT

RELATING TO MUNICIPALITIES; PROHIBITING A MUNICIPALITY FROM  
IMPOSING A TAX UPON THE TRANSFER OF REAL PROPERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 3-18-2 NMSA 1978 (being Laws 1972,  
Chapter 26, Section 1, as amended) is amended to read:

"3-18-2. PROHIBITION ON MUNICIPAL TAXING POWER.--Unless  
otherwise provided by law, no municipality may impose:

A. an income tax;

B. a tax on property measured on an ad valorem, per  
unit or other basis; or

C. any excise tax, including but not limited to:

(1) sales taxes;

(2) gross receipts; and

(3) excise taxes on any incident relating to:

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- (a) tobacco;
- (b) liquor;
- (c) motor fuels; ~~[and]~~
- (d) motor vehicles; and
- (e) the transfer from one person to

another of legal or equitable title to real property.

D. However, any municipality may impose excise taxes of the sales, gross receipts or any other type on specific products and services, other than those enumerated in Paragraph (3) of Subsection C of this section, if the products and services taxed are each named specifically in the ordinance imposing the tax on them and if the ordinance is approved by a majority vote in the municipality.

E. Subsections C and D of this section shall not be construed to apply to or otherwise affect any occupation tax imposed prior to or after ~~[the effective date of this act]~~ March 3, 1980 under Sections 3-38-1 through 3-38-12 NMSA 1978, as those sections may be amended from time to time; provided the provisions of this subsection shall not apply to the sale of motor vehicles."